GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA

UNSTARRED QUESTION NO:6445
ANSWERED ON:08.05.2002
BALANCE BETWEEN THE TARIFF FIXED ON STD/ISD .
AVSM, BRIG.(RETD.) KAMAKHYA PRASAD SINGH DEO

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether Government have a proposal to maintain a balance between the tariff fixed on STD/ISD;

(b) whether the Telecom Regulatory Authority of India (TRAI) has issued a notification in that regard; and

(c) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI SIKDAR)

(a) to (c): As per the Telecom Regulatory Authority of India Act, 1997 as amended by TRAI (Amendment) Act, 2000, the power of fixing tariff for telecom services is mandated to the TRAI only.The process of tariff rebalancing for basic services was initiated by the TRAI in March, 1999.The TRAI has undertaken tariff rebalancing exercises in 3 phases.As intimated by TRAI, STD and ISD charges were sought to be reduced by 48% and 56% respectively over three phases. IN the 3rd phase of tariff rebalancing exercise notified on 14.3.2002 (effective from 1.4.2002), TRAI have further lowered the ceilings for STD and ISD rates. Due to increased competition ir both STD/ISD service markets, the tariffs have come down by 62% in case of STD and up to 40% in case of ISD compared to those notified by TRAI on 143.2002.Competition in both these services is likely to intensify in te future, thus, putting further downward pressure.